



ADFA HOME Certification Sample Practice Questions



Day 1 –Homeowner Rehabilitation/Homebuyer Track

Instructions

All questions are multiple choice questions. Please note that there is only **one** correct choice for each question.

- 1) True or False: AC units and dishwashers are considered luxury items and cannot be provided in ADFA homeowner rehabilitation projects.
 - a) True
 - b) False
- 2) True or False: Recipients have to disburse 25 percent of funds each year and completely expend program funds within 4 years.
 - a) True
 - b) False
- 3) True or False: Homeowner Rehabilitation program participants should be notified that ADFA, in an effort to recoup loan costs, will sell the property to the market at large even if there are income eligible heirs.
 - a) True
 - b) False
- 4) Identify the information that is not required for ADFA's subsidy layering review:
 - a) Certification of government assistance
 - b) Project development budget
 - c) Project owner annual tax returns
 - d) Sources and Uses of Funds Statement
 - e) None of the above
- 5) True or False: A homeowner rehabilitation unit must pass HQS inspections before the property owner can move back into the unit upon completion of rehabilitation.
 - a) True
 - b) False
- 6) True or False: New Construction costs for an emergency shelter facility are eligible ADFA HOME costs.
 - a) True
 - b) False



ADFA HOME Certification Sample Practice Questions



Day 1 –Homeowner Rehabilitation/Homebuyer Track

- 7) True or False: ADFA imposes limits that are less than the HOME program subsidy limits.
- a) True
 - b) False
- 8) True or False: The reconstruction of owner-occupied manufactured housing is an eligible homebuyer projects.
- a) True
 - b) False
- 9) Pick the topic that is not related to the Uniform Administrative Requirements:
- a) Audits
 - b) Cost principles
 - c) Fair Housing
 - d) Financial management standards
 - e) Procurement
- 10) True or False: Two-to-four unit properties are ineligible for both homeowner occupied rehabilitation and homebuyer activities.
- a) True
 - b) False
- 11) Costs that can be charged to either Administration or Project-Related Soft Costs include:
- a) Work specifications developed by the contractor
 - b) Bank fees for underwriting project
 - c) Phase I and Phase II reports prepared by project consultants
 - d) Relocation Plans prepared by project consultants
 - e) None of the above
- 12) The list of property standards that apply to homebuyer programs that involve either new construction or reconstruction are:
- a) Written rehabilitation standards
 - b) Universal design standards
 - c) Arkansas Energy Code
 - d) All of the above
 - e) None of the above



ADFA HOME Certification Sample Practice Questions



Day 1 –Homeowner Rehabilitation/Homebuyer Track

- 13) True or False: Changes in project cost and financing sources are only material during the ADFA application review process. Once ADFA awards funds to the project, changes in project cost and financing do not have to be reported to ADFA.
- a) True
 - b) False
- 14) True or False: Anne purchased a fixer-upper two years ago. She has exhausted her personal resources and has approached an ADFA recipient for homeowner rehabilitation assistance. Is the unit eligible for Homeowner Rehabilitation funds?
- a) True
 - b) False
- 15) Identify the statement that accurately reflects HUD HOME allocation requirements:
- a) No less than 85 percent of funds must be used for HOME unit assistance
 - b) No more than 20 percent must be allocated as CHDO set-aside
 - c) 10 percent must be allocated for Administration
 - d) 15 percent must be used for CHDO operating
 - e) Minimum CHDO set aside includes CHDO Operating